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COR-0211 ✓

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26 November 58

MEMORANDUM FOR: Director of Development and Procurement, DPS/DCI**SUBJECT : Exploitation Equipment for CORONA Photography**

REFERENCES : A. Draft letter from ITEK (Mr. Walter Levison) dated 19 November 1958.
B. Memorandum for SA/PD/DCI, subject "Trip Report - Program Review Conference, WS-117L and CORONA" from Director of Operations, dated 25 November 1958 (COR-0238)

1. Reference A. which is attached herewith is a draft letter from ITEK to me which was handed to me informally by Richard Leghorn on 20 November. He preferred to deliver it in this fashion still labeled as a draft and unsigned because it is by implication critical of Eastman and Leghorn understandably does not wish to have such a document become official and would prefer not to have it remain in our files. I request therefore that it be handled with appropriate discretion by all concerned.

2. The differences of opinion revealed in Levison's letter apparently came out into the open at the CORONA Program Review Conference on 20 November and is reported by [redacted] in paragraph 4 of Reference B. [redacted] recommends in paragraphs 4. and 5. of Reference B. that the Eastman and ITEK processors be studied by Headquarters personnel in order to resolve the conflict of opinion.

3. When Mr. Leghorn delivered Reference A. to me, I read it quickly and discussed it with him. In it Levison explains that the ITEK representative at Rochester has not found it easy to evaluate photography processed on the Eastman processor and that there is, therefore, no objective comparative evaluation of the several types of equipment. Mr. Levison also states his impression that Eastman has other types of processors in mind of which ITEK has no knowledge. I explained to Mr. Leghorn that in view of the obvious delicacy of this situation I felt that we should immediately arrange for an evaluation of the equipment Eastman is presently proposing to use, both the Eltron processor and any other that Eastman may have in mind and that the individuals who do this evaluation should also study Mr. Levison's claims for the ITEK machine. I explained that I believed

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a quick preliminary evaluation of this sort was essential before we could either definitely authorize ITEK to rework the second machine of their design or alternatively reach a firm decision to use the Eastman equipment. Leghorn agreed that such a step was necessary and that we would have to make this judgment employing persons neutral as between the two companies.

25X1 4. At an Eastman minicard meeting which I attended coincidentally on 20 November I saw [] and explained to him briefly that I would like to send someone to Rochester in the near future to look at their processor. I believe he understood that I was concerned with the choice between Eastman and ITEK equipment and that we had a decision to make concerning further development work on the latter.

5. This is plainly a rather delicate competitive situation. It will be greatly contrary to our interest to allow this disagreement between ITEK and Eastman to develop any further and I am sure, at least at the level of top management, the two companies wish to preserve good relations. Accordingly I believe it to be essential and rather urgent that we use neutral personnel to evaluate the competing claims and to enable us to reach a prompt decision with respect to any further work to be done on the ITEK machine. This view, which I had arrived at independently in the manner recounted above, is in agreement with [] recommendation in Reference B .

25X1 6. The main question I have concerns the choice of an individual or a group of individuals to perform this task. I am inclined to believe, especially since we must move quickly, that we should ask Mr. Lundahl for the best qualified person he can supply and that that individual and [] should be our representatives for this purpose. There may well be a need for a meeting including a communications or electronics specialist and a representative of Operations but I believe this pressing matter of the selection of a processor should be handled separately. Accordingly, if the above-outlined course of action seems appropriate to all concerned, I would ask that [] immediately communicate with Mr. Lundahl and then telephone [] to arrange for a visit of our people to Eastman early next week. It is important, I feel, that [] explain frankly to [] what is the purpose of the visit. Either before or immediately after such a visit our representatives should also meet with Walter Levison to hear anything further he has to say and to explain their views. I would like to have a

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recommendation from our representatives through [] as soon as possible but not later than 4 December as to the action we should take on the ITEK proposal and to rework their second machine.

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6. On 20 November I forwarded a request to [] to have the second 461-L processor left in Boston until we could make this determination. If we should decide to have it reworked by ITEK appropriate steps will have to be taken with the Air Force to obtain the use of the equipment.

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7. I have no comment to make on the quite separate subject of a 70mm printer and understand this business is going forward in channels. I would only comment that we are going to have to find some way to cut the total cost of new photo-interpretation equipment for CORONA.

[]
RICHARD M. BISSELL, JR.
SA/PD/DCI

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NRO

SA/PD/DCI:RMB:djm
1-Addressee w/Ref A.
2-Dep. Dir. DPS/DCI
3-Dir of Operations, DPS/DCI
4-SA/PD/DCI Chrono

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